

- BC exports down 5.8% in May
- June housing starts in BC soar 29.0%
- BC residents consider themselves as among the healthiest in Canada

The Economy

- Exports of BC products slipped 5.8% (*seasonally adjusted*) in May, more than offsetting a 2.3% climb recorded in April. Shipments were down across most major commodity groups, with the exception of slight increases in machinery & transportation equipment (+0.2%) and agricultural & fishing (+0.4%) exports. Energy (-11.0%) saw the most significant decrease, but international shipments of forestry goods (-6.4%) also experienced a substantial downturn. Meanwhile, exports of industrial & consumer (-2.9%) products posted a more moderate rate of decline.

Exports to the United States were up 2.6%, reflecting increases in four major commodity groups. The value of industrial & consumer products shipped south of the border jumped 8.9%, and machinery & equipment (+2.5%), agriculture & fishing (+2.9%) and forestry (+4.3%) goods were also higher in May. Conversely, exports to countries other than the US were substantially lower (-11.8%) than in April, pulled down most notably by weakened shipments of energy (-12.6%) and forestry (-13.3%) products.

At the national level, goods exports were relatively unchanged in May (+0.0%). A strong increase in shipments of machinery & equipment (+8.7%) was not enough to offset declines among most other commodities. Canadian exports to the US (+0.2%) were on the rise, while shipments to Japan (-25.7%) and the European Union (-1.5%) declined.

Data Sources: BC Stats & Statistics Canada

Housing

- The cost of new housing in both of BC's largest metropolitan areas fell in May. Home builders in Victoria received an average of 3.2% less for their projects, while in Vancouver, new housing prices were just slightly lower than in the same month of 2011 (-0.9%). Although land prices in the province's largest city were about the same (+0.0%) as in May of 2011, declining building costs (-1.7%) pulled overall prices down. In Victoria, on the other hand, both the cost of houses (-4.2%) and land (-0.3%) were lower.

Nationally, the cost of new housing advanced 2.4% during the twelve-month period ending in May. With the exception of Vancouver, Victoria and St. John's (-0.1%), all 21 metropolitan areas surveyed showed increases in new housing prices.

Data Source: Statistics Canada

- Housing starts in the province continued to surge in June, climbing 29.0% (*seasonally adjusted*), following an 18.4% boost in the previous month. Canadian starts were up a moderate 2.4%, with seven provinces posting increases, the most notable of which was seen in PEI (+85.7%).

Data Source: Statistics Canada

Auto Collisions

- In 2010, 34% of fatal automobile collisions in BC involved impairment (drugs, medications or alcohol), while a further 29% were related to speed. In that year, there were approximately 260,000 crashes in the province, 319 of which involved a fatality. Young drivers (aged 16 to 21) accounted for over 13% of all drivers involved in collisions.

Data Source: Insurance Corporation of British Columbia

Did you know...

Seven in ten Canadian parents (70%) would be concerned with their children playing in a backyard that has a pool, even if their children know how to swim.

Source: Ipsos Canada

Health

- In 2011, nearly a third of British Columbians (61%) aged 12 years and older assessed their own health as either "very good" or "excellent," among the highest proportions in Canada. Alberta (62%) led the country in overall health perception, while residents of Nunavut (41%) were the least likely to describe themselves as being in good health.

While the share of the BC population that reported being diagnosed with arthritis (15%) and diabetes (5%) was lower than in 2010, the proportions of those who suffered from high blood pressure (16%), obesity (15%) and mood disorders (8%) were notably higher. Differences between men and women tended to be relatively minor for most health indicators. However, men (56%) were far more likely than women (38%) to report height and weight values that classified their body mass index (BMI) as either overweight or obese. Arthritis rates, on the other hand, were higher among women (19%) than men (11%).

Data Source: Statistics Canada

Firearms

- As of December 2011, there were 966,756 registered firearms in British Columbia. The province had approximately 228,500 valid firearms licence holders, suggesting an average of 4.2 guns per registered owner. Nationwide, the number of registered guns exceeded 7.8 million, approximately 215,000 more than recorded in December of 2010. Nearly 2 million Canadians are licensed firearms holders. In 2011, the initial application screening led to the refusal of 519 firearms licence applications and continuous-eligibility screening led to the revocation of 2,371 firearms licences.

Data Source: Canadian Firearms Center

Television Broadcasting

- Operating revenues from television broadcasting in Canada expanded 5.4% in 2011, reaching nearly \$7.5 billion. Specialty TV led the way in terms of growth, with revenues

soaring 8.1% to exceed \$2.8 billion. Meanwhile, private conventional television broadcasters saw minimal growth (+0.3%), but still ranked high in terms of revenue (\$2.2 billion). Pay television continued to advance rapidly (+7.1%), as did public & non-commercial broadcasters (+7.1%). In terms of profitability, specialty and pay television is at the head of the pack, earning 25 cents of operating profit for every revenue dollar. For conventional TV, the profit margin was just over seven percent. Subscription revenues and advertising revenues both contributed to the growth of pay and speciality television in 2011. In 2011, conventional television captured two-thirds (66%) of the television advertising market, down from nearly three-quarters (73%) just five years earlier.

Data Source: Statistics Canada

The Nation

- Canadian retailers started the year on a high note, as retail sales reached \$102.7 billion (+5.6% from the first quarter of 2011). Across the major commodity groups, motor vehicles, parts & services (+11.0%) showed the strongest growth in the first quarter, mostly reflecting higher sales of new passenger cars (+22.5%). According to the New Motor Vehicle Sales Survey, the number of new motor vehicles sold jumped 9.1% over the same period, driven by strong sales of passenger cars. Food & beverage products (+4.4%) were also on the rise, due primarily to price increases.

Overall, of every \$100 of goods and services purchased in retail stores last year, consumers spent the most on food & beverages (\$25), motor vehicles, parts & services (\$21) and automotive fuels, oils & additives (\$12).

Data Source: Statistics Canada

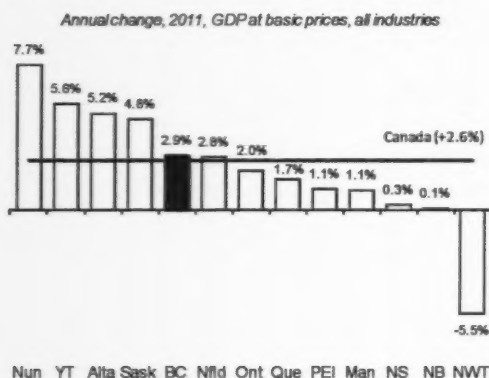
Infoline Issue: 12-28
July 13th, 2012

B.C.'s Economy in 2011

B.C.'s economic growth in 2011 exceeded the national average

British Columbia's economy expanded 2.9%¹ in 2011, ahead of the national average (+2.6%). This marked a second straight year of GDP growth, following a notable decline (-2.2%) in 2009, when the economy shrank for the first time since 1982.

B.C.'s economy continues to make gains in 2011



Data Source: Statistics Canada

Economies across Canada, excluding the Northwest Territories (-5.5%), expanded in 2011. Nunavut (+7.7%) recorded the largest increase in 2011. B.C.'s economic performance, however, was more modest, particularly when compared to neighbouring Alberta (+5.2%) and Saskatchewan (+4.8%). Newfoundland (+2.8%) recorded the highest rate of GDP growth in Atlantic Canada, with the remaining eastern provinces posting rates well below

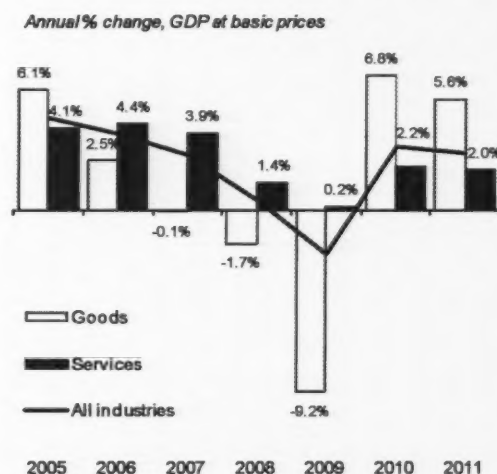
¹ Gross domestic product (GDP) figures quoted in this article are reported in chained (2002) dollars. Chained data have been adjusted to remove the effect of price variations. They can be viewed as estimates of the volume of output. In this document, chained GDP figures are referred to as "real GDP".

the national average. Economic activity in Ontario (+2.0%) and Quebec (+1.7%) advanced at a moderate pace, still recovering after being hit hard in 2009.

Growth in goods sector continues to support service industries

B.C.'s goods (+5.6%) and service (+2.0%) sectors continued to advance in 2011, with growth slightly lower than in 2010, when the economy was rebounding from the previous year's recession.

Recovery persists in goods and service sectors



Data Source: Statistics Canada

The overall rise in goods sector GDP was largely driven by heightened demand for energy, forestry, and industrial product exports.

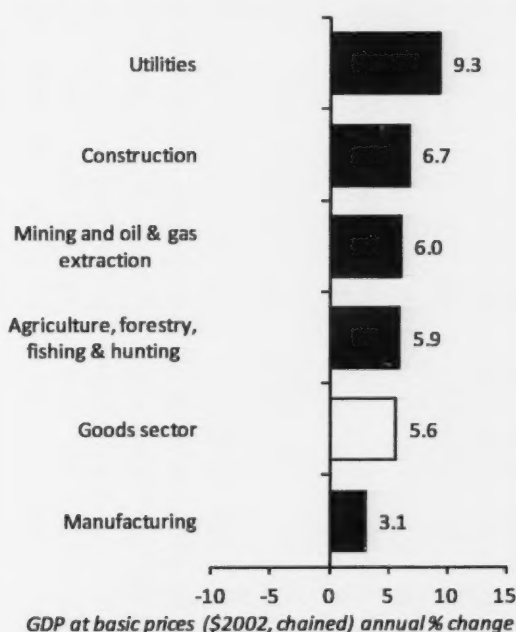
Goods sector expands in 2011

The goods-producing sector continued to see increases in 2011, led by a spike in utilities (+9.3%), which grew for the first time since

2007. The construction industry expanded 6.7%, primarily due to strength in oil & gas engineering (+19.0%), and other engineering (+26.6%) construction.

Mining and oil & gas extraction posted considerable gains for a second straight year (+6.0%), mainly due to a boom in oil & gas extraction (+14.4%) and related support activities (+23.8%). Mining GDP, however, contracted 3.2%, driven by a substantial drop in metal ore mining (-17.4%).

The goods sector maintained moderate growth



Data Source: Statistics Canada

GDP in agriculture, forestry, fishing & hunting grew 5.9%, as forestry & logging (+11.2%), and fishing, hunting & trapping industries (+7.4%) both recorded increases. Support activities in agriculture & forestry (+2.7%) rose for the first time since 2005, however, a slowdown (-2.4%) in crop & animal production, which began in 2010, worsened in 2011.

B.C.'s manufacturing sector recorded an expansion of 3.1%, with most key industries experiencing growth. Wood (+5.8%), food (+2.6%), and paper (+2.3%) product manufacturing all increased for a second straight year.

GDP in primary & fabricated metal products rose (+3.7%) for the first time since 2007, mainly due to a surge (+8.0%) in fabricated metal products. These gains, however, were dampened by slowdowns among manufacturers of chemicals (-5.0%), computers & electronics (-2.4%), and furniture (-1.4%).

Modest expansion in most of the service sector

Moderate growth in the service sector, which accounts for approximately 77% of provincial GDP, was led by increases in transportation & warehousing (+4.1%), and finance, insurance, and real estate (+3.2%) in 2011.

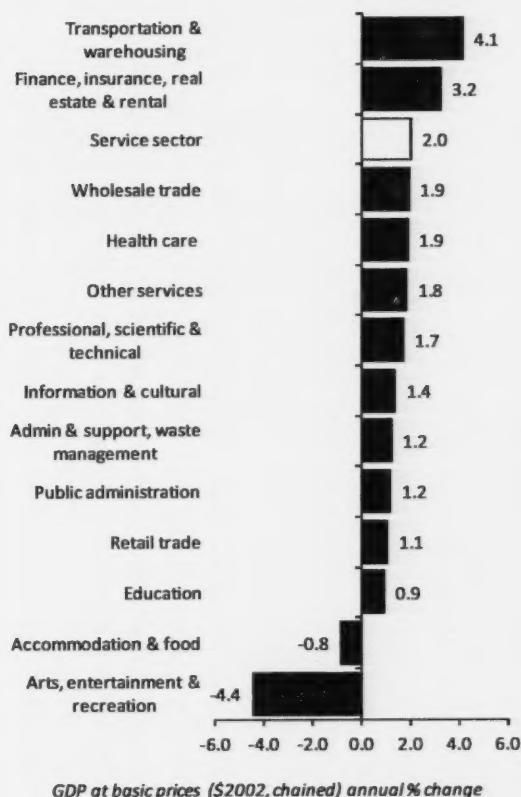
B.C.'s location serves as a point of entry and exit for goods in transit to or from other locations, which generally affects demand for various transportation-related services. Unsurprisingly, transportation and warehousing saw increases in truck transportation (+5.5%), transit & ground passenger transportation (+4.5%), air, rail, water, and scenic & sightseeing activities (+4.4%), and postal service (+3.0%). Pipeline transportation declined for the fifth straight year, contracting 1.6%.

Wholesale trade in B.C. expanded 1.9% in 2011. While the industry is closely tied to the goods sector, it also provides services to consumers. Wholesalers provide products used by goods-producing industries, as well as retail outlets, and some, directly by consumers.

Professional, scientific & technical services, which include engineers, architects, accountants, computer services, and other types of

professional services, registered a 1.7% increase, a continuation of the recovery that started in 2010 after back-to-back annual declines in 2008 and 2009.

Service sector growth steady, for the most part



Data Source: Statistics Canada

Information & cultural industries, which includes motion picture production and exhibition, sound recording, broadcasting, telecommunications, and publishing industries) recorded an increase of 1.4%. Administrative & support and waste management industries, which includes services such as office administration, employment, and travel agencies, saw an increase of 1.2%.

Industries with strong ties to the public sector continued to see growth in 2011, with health

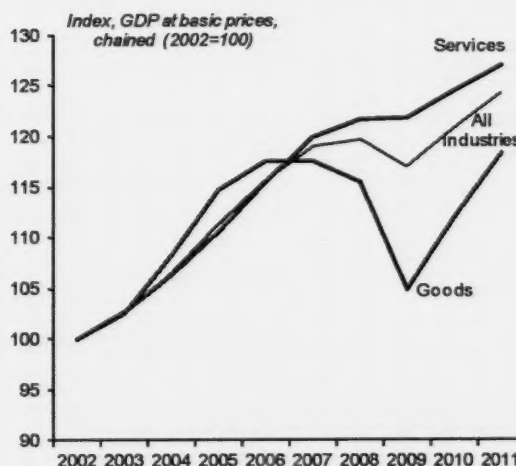
care (+1.9%), public administration (+1.2%), and education (+0.9%) all expanding.

While increased consumer spending resulted in increased GDP in retail trade (+1.1%), the arts, entertainment & recreation industry took a hit (-4.4%). A notable decline in performing arts, spectator sports and related industries (-11.5%), and a dip in gambling (-0.2%) were responsible for the drop, while growth in heritage institutions (+2.7%) and amusement and recreation industries (+0.7%) lessened it. The accommodation & food industry contracted marginally, 0.8%.

Recovery continues in the goods sector in 2011

Economic activity in the province's service-producing industries have expanded 27.0% since 2002. Over the same period, GDP in the goods sector increased at the markedly slower pace of 18.3%.

Goods sector GDP now exceeds 2007 levels



Data Source: Statistics Canada

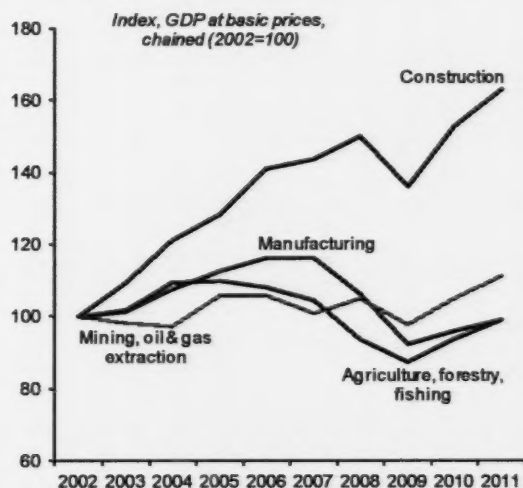
The meagre long-term rate of expansion in the goods sector is largely the result of a pro-

longed downturn in the sector that began in 2007 and extended through the recession of 2009, eroding away most of the growth that occurred earlier in the decade. Strong growth in 2010 (+6.8%) and 2011 (+5.6%) has allowed the goods sector to regain ground lost in recent years.

The construction industry, which has been striding ahead in terms of growth, has expanded 63.1% since 2002. Though the construction industry was the largest employer in the goods sector in 2011, manufacturing holds the largest share of GDP.

The manufacturing, and agriculture, forestry, fishing & hunting sectors, which have experienced declines in recent years, remained 22.0% below 2002 levels in 2011. GDP in mining and oil & gas extraction has increased 11.2% over 2002 levels, primarily due to expansion in oil and gas extraction (+20.5%), and a 111.2% increase to GDP in related support activities over the same period.

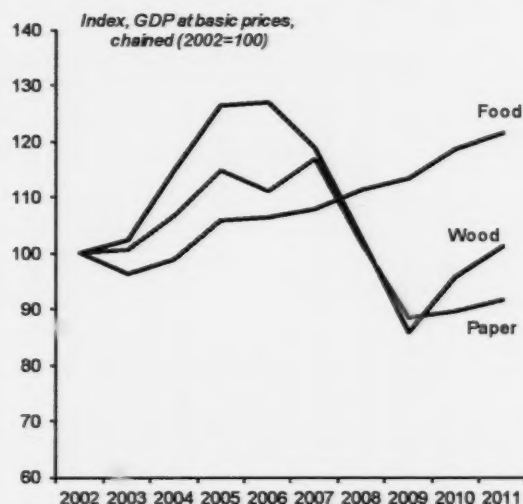
Gains in construction led the goods sector



Data Source: Statistics Canada

Growth in key manufacturing industries has been varied. GDP in the paper industry has fallen 8.4% since 2002, while wood manufacturing has inched ahead just 1.2%. B.C.'s food manufacturing industry has seen substantial growth, expanding 21.6% since 2002. In 2011, fabricated metal products rebounded from declines, surpassing 2002 levels for an increase of nearly 2.7%.

Slight expansion in B.C.'s manufacturing sector



Data Source: Statistics Canada

Stable goods sector supports moderate growth in service sector

Most of B.C.'s resource-based products are destined for sale outside the province, so changes in global economic conditions often affect the demand for these products. Other than transportation and warehousing, many of the key service industries are largely consumer-oriented, so they are less vulnerable to changes in demand that originate outside the province.

With more than three-quarters of total GDP originating in service-producing industries,

B.C. is particularly dependent on the service sector. This has helped keep the economy on a steady upward path, despite volatility in the resource-based industries, which tend to experience boom and bust cycles. Although the goods sector has declined 11 times since 1981, B.C.'s economy has expanded in all but two years—1982 and 2009. In 2009, the combined effect of lower consumer, business, and non-resident demand for B.C. services halted growth in the service sector.

While the four western provinces have recorded significant expansion since 2002, growth in central and eastern Canada has been modest in comparison. B.C.'s economy has grown over 24.3%, well above the national average (+18.5%). In fact, all four western provinces outperformed the national average, while Newfoundland (+19.5%) was the only eastern province that achieved such growth.

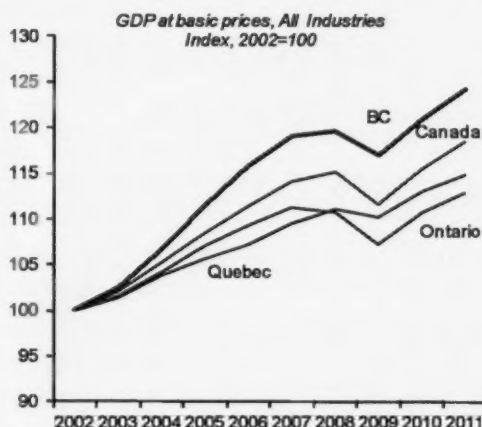
However, stronger-than-average growth in the west was not just an indication of relatively robust conditions in this part of the country. It was also a reflection of weak economic performance in central Canada. Ontario has seen output in the goods sector drop over 10.5% since 2002. The decline in Ontario's goods sector began in 2006, well in advance of the global recession, which merely exacerbated an already present period of downturn. Quebec has fared only slightly better, its goods sector posting marginal growth of just 1.3% between 2002 and 2011.

Western provinces continue to leap ahead on an expansionary path...



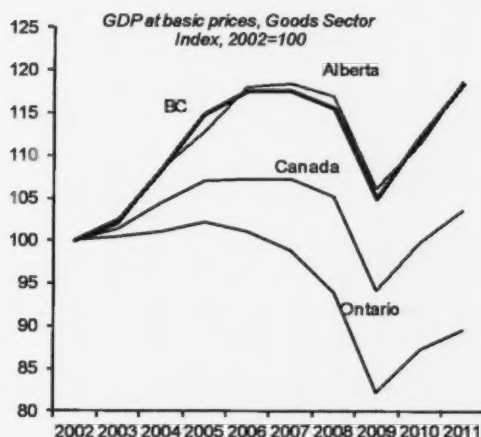
Data Source: Statistics Canada

...while Ontario and Quebec proceed modestly



Data Source: Statistics Canada

Goods industries in central Canada still suffering, while B.C. and Alberta return to pre-recessionary levels



Data Source: Statistics Canada

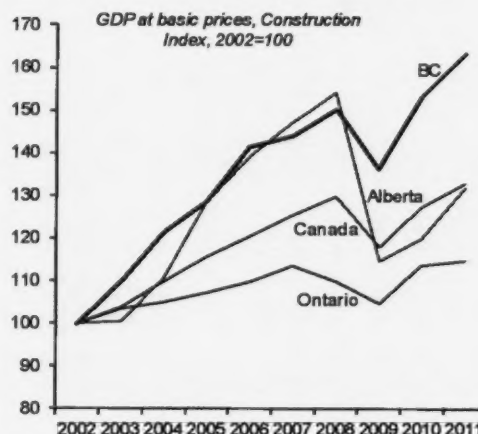
Reasons underlying both growth and decline in the goods sector vary provincially. In Ontario, where manufacturing dominates goods production, the sector has declined over 21.4% since 2002. Quebec has also seen much of its manufacturing sector fall into decline (-13.3%) during this period.

The energy sector, which helped fuel strong growth earlier in the decade, but lost steam in 2009, has picked up in Alberta, Ontario, and Quebec. Of the provinces, Manitoba has seen the most considerable growth in the energy sector, at 43.1% since 2002.

Significant expansion in British Columbia's construction industry has placed it well above the national average (+32.4%), and had a strong impact on growth in the goods sector. Like B.C., Alberta's growth in construction in 2011 was related to the developments in the oil & gas sector, namely oil & gas engineering construction (+33.2%). The construction industry in Ontario saw only a marginal increase

(+0.9%) in 2011, following a large increase in transportation engineering during each of the previous two years.

Construction GDP has advanced quickly in B.C. compared to the national average

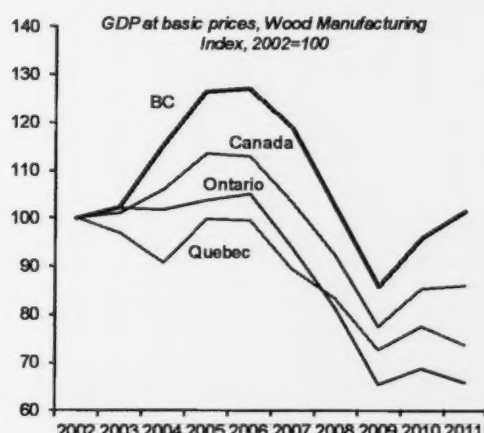


Data Source: Statistics Canada

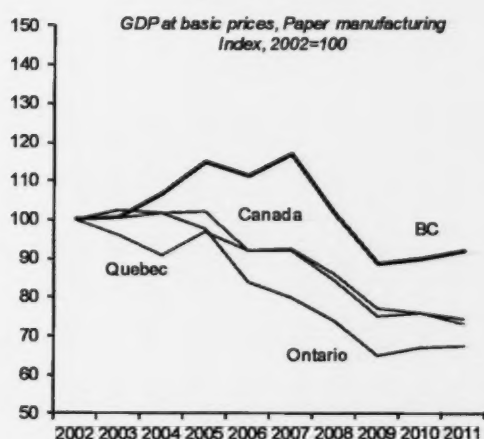
B.C.'s wood and paper manufacturers have faced big challenges, and lost substantial ground during the economic decline. The wood manufacturing industry in B.C. recovered to just slightly above 2002 levels in 2011, while Quebec (-26.7%) and Ontario (-34.2%) manufacturers of wood products remains well below 2002 levels in terms of GDP.

Similarly for paper manufacturing, B.C. has recorded only marginal growth in the last three years, and remains below (-8.4%) the level established in 2002. Quebec and Ontario both posted a slight decline in paper manufacturing in 2011, and remain notably lower than 2002 levels.

Forest-related manufacturing had regained lost ground in B.C., but continues to lag in the east



Data Source: Statistics Canada



Data Source: Statistics Canada

suit, adding economic value to exports, and benefitting from increased transportation activities.

Three of the largest industries in B.C. derive at least part of their business from providing services to consumers. While some services are supported by discretionary spending, others are not, which means the demand for some types of services is unlikely to be greatly reduced, since factors such as population growth or changes in the age structure of the population also play a significant roll.

In B.C., the largest industries are in the service sector



Percent of total GDP at basic prices, 2011

Data Source: Statistics Canada

Overall, strong performance in 2011

B.C.'s economy expanded in 2011 as the province continues to recover from the recent downturn. In the face of shifting economic conditions, B.C.'s goods sector has regained lost ground by relying on the province's wealth of natural resources to meet demand from abroad. The service sector has followed



Email transmission information service from BC Stats



also on the Internet at www.bcstats.gov.bc.ca or choose

RSS

BC at a glance . . .

POPULATION (thousands)		% change on one year ago	
Apr 1/2012			
BC	4,606.5	1.0	
Canada	34,755.6	1.1	
GDP and INCOME (Released Nov 8)		% change on one year ago	
(BC - at market prices)		2010	
Gross Domestic Product (GDP) (\$ millions)	203,147	5.9	
GDP (\$ 2002 millions)	167,140	3.0	
GDP (\$ 2002 per Capita) (reflects revised pop)	36,899	1.4	
Personal Disposable Income (\$ 2002 per Capita)	26,166	2.2	
TRADE (\$ millions, seasonally adjusted)		% change on prev. month	
Manufacturing Shipments - Apr 2012	3,150	-1.2	
Merchandise Exports - May 2012	2,578	-5.8	
Retail Sales - Apr 2012	5,145	-0.2	
CONSUMER PRICE INDEX		12-month avg % change	
(all items - May 2012)		one year ago	
BC	1.3	1.9	
Vancouver	1.5	2.0	
Victoria	1.2	1.8	
Canada	1.2	2.5	
LABOUR FORCE (thousands)		% change on prev. month	
(seasonally adjusted)		Jun 2012	
Jobs Created (-Lost) - BC	3.6		
Labour Force - BC	2,485.8	-0.7	
Employed - BC	2,322.2	0.2	
Unemployed - BC	163.6	-11.6	
		May 2012	
Unemployment Rate - BC (percent)	6.6	7.4	
Unemployment Rate - Canada (percent)	7.2	7.3	
INTEREST RATES (percent)		Jul 11/2012	
		Jul 13/2011	
Prime Business Rate	3.00	3.00	
Conventional Mortgages - 1 year	3.20	3.60	
- 5 year	5.24	5.54	
US-CANADA EXCHANGE RATE		Jul 11/2012	
		Jul 13/2011	
(avg. noon spot rate) Cdn \$ per US \$	1.0195	0.9582	
(closing rate) US \$ per Cdn \$	0.9805	1.0420	
AVERAGE WEEKLY WAGE RATE		% change on one year ago	
(industrial aggregate - dollars)		Jun 2012	
BC	850.70	1.3	
Canada	863.37	3.5	

SOURCES:

Population, Gross Domestic Product, Trade, Prices, Labour Force, Wage Rate } Statistics Canada
Interest Rates, Exchange Rates: Bank of Canada Weekly Financial Statistics
For latest Weekly Financial Statistics see www.bankofcanada.ca

Solid Waste Generation Forecast

This report highlights three projection scenarios with varying degrees of measures taken to divert waste from British Columbia landfills. The report includes a summary of the methodology and the results of the forecast for each scenario from 2010 through 2025. Read this at: <http://www.bcstats.gov.bc.ca/StatisticsBySubject/EnvironmentalStatistics/Analysis.aspx>

Census 2011 Fast Facts

The age-sex data from the 2011 Census have been released. For the first time, since reporting began, persons 65 years of age and older outnumbered 0 to 14 year-olds in BC. See more: <http://www.bcstats.gov.bc.ca/StatisticsBySubject/Census/2011Census.aspx>

Follow @BCStats on Twitter

The central statistical agency of the Province of BC is regularly updating and interacting on the Twitter social media platform – connect with us: <https://twitter.com/bcstats>

New RSS Feeds From BC Stats

BC Stats has published several new RSS feeds: <http://www.bcstats.gov.bc.ca/Help/RSSFeeds.aspx>

The 2011 National Household Survey

Release dates have been set as:

May 8, 2013

- Immigration; Citizenship; Place of birth; Language; Ethnic origin; Visible minorities; Religion; Aboriginal Peoples

June 26, 2013

- Labour; Education; Place of work; Commuting to work; Mobility and migration; Language of work

August 14, 2013

- Income; Earnings; Housing; Shelter costs

<http://www12.statcan.gc.ca/nhs-enm/index-eng.cfm>

Released this week by BC Stats

- Economic Statistics Report
- Business Indicators
- Exports, May 2012

Next week

- Consumer Price Index, June 2012

BC Stats, Box 9410 Stn Prov Govt, Victoria, B.C. V8W 9V1

Tel: 250-387-0327 Fax: 250-387-0380 Web: www.bcstats.gov.bc.ca E-mail: BC.Stats@gov.bc.ca